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*Proposed Counsel for Debtors*

**IN THE UNITED STATES BANKRUPTCY COURT  
 FOR THE NORTHERN DISTRICT OF TEXAS  
 FORT WORTH DIVISION**

IN RE:	§	
SOVRANO, LLC,	§	CASE NO. 19-40067-11
MR. GATTI'S, LP,	§	CASE NO. 19-40069-11
GATTI'S GREAT PIZZA, INC.,	§	CASE NO. 19-40070-11
GIGI'S CUPCAKES, LLC,	§	CASE NO. 19-40072-11
GIGI'S OPERATING, LLC,	§	CASE NO. 19-40073-11
GIGI'S OPERATING II, LLC, <sup>1</sup>	§	CASE NO. 19-40074-11
Debtors.	§	<b>(Joint Administration Requested)</b>
	§	<b>Emergency Hearing Requested</b>

**CHECKLIST PERTAINING TO MOTION TO USE CASH COLLATERAL**

Sovrano, LLC, Mr. Gatti's L.P., Gatti's Great Pizza, Inc., Gigi's Cupcakes, LLC and Gigi's Operating, LLC (each a “**Debtor**” and collectively, the “**Debtors**”) hereby file this Checklist pertaining to the *Joint Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to Use Cash Collateral of Equity Bank, (II) Granting Adequate Protection,*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sovrano, LLC (1470); Mr. Gatti's, LP (0879); Gatti's Great Pizza, Inc. (6061); Gigi's Cupcakes, LLC (8356); Gigi's Operating, LLC (0621); and Gigi's Operating II, LLC (8396).

*(III) Modifying the Automatic Stay, and (IV) Setting a Final Hearing* (the “Motion”) [Docket No.

6] filed in each of their respective bankruptcy cases:

**Certificate by Counsel**

This is to certify that the following checklist fully responds to the Court’s inquiry concerning material terms of the motion and/or proposed order:

**1. Identification of Proceeding:**

- (a) Preliminary or final motion/order
- (b) Continuing use of cash collateral (§ 363)
- (c) New financing (§ 364)
- (d) Combination of §§ 363 and 364 financing
- (e) Emergency hearing (immediate and irreparable harm)

Preliminary  
Yes  
No  
No  
Yes

**2. Stipulations:**

- (a) Brief history of debtor’s businesses and status of debtor’s prior relationships with lender.

Various debtors have pre-petition secured loans with Equity Bank

- (b) Brief statement of purpose and necessity of financing:

Cash Collateral needed for operations

- (c) Brief statement of type of financing (i.e.) accounts receivable, inventory)
- (d) Are lender’s pre-petition security interest(s) and liens deemed valid, fully perfected and non-avoidable?

N/A

- (i) Are there provisions to allow for objections to above?

Yes

- (e) Is there a post-petition financing agreement between lender and debtor?

Yes within Challenge Period

- (i) If so, is agreement attached?

No

- (f) If there is an agreement, are lender’s post-petition security interests and liens deemed valid, fully perfected and non-avoidable?

N/A

- (g) Is lender under secured or oversecured? (circle one)
- (h) Has lender’s non-cash collateral been appraised?

Insert date of latest appraisal.

Unknown  
No

- (i) Is debtor’s proposed budget attached?

Yes

- (j) Are all pre-petition loan documents identified?
- (k) Are pre-petition liens on single or multiple assets?
- (l) Are there pre-petition guaranties of debt
  - (i) Limited or unlimited?

Yes  
Multiple  
Yes  
Limited as to Gatti's;  
Unlimited as to Gigi's

### **3. Grant of Liens:**

- (a) Do post-petition liens secure pre-petition debts?
- (b) Is there cross-collateralization?
- (c) Is the priority of post-petition liens equal to or higher than existing liens?
- (d) Do post-petition liens have retroactive effect?
- (e) Are there restrictions on granting further liens or liens of equal or higher priority?
- (f) Is lender given liens on claims under §§ 506(c), 544-50 and §§ 522?
  - (i) Are lender's attorney's fees to be paid?
  - (ii) Are debtor's attorney's fees excepted from § 506(c)?
- (g) Is lender given liens upon proceeds of causes of action under §§ 544, 547, and 548?

Yes  
Yes  
Yes  
No  
Yes  
No  
Yes if bank is oversecured  
Yes, partially  
No

### **4. Administrative Priority Claims:**

- (a) Is lender given an administrative priority?
- (b) Is administrative priority higher than § 507(a)?
- (c) Is there a conversion of pre-petition secured claim to post-petition administrative claim by virtue of use of existing collateral?

Yes  
Yes  
No

### **5. Adequate Protection (§ 361):**

- (a) Is there post-petition debt service?
- (b) Is there a replacement/additional §361(1) lien?
- (c) Is the lender's claim given super-priority?
  - (i) § 364(c) or (d))
- (d) Are there guaranties?
- (e) Is there adequate insurance coverage?
- (f) Other?

No  
Yes  
Yes  
Yes, prepetition  
Yes  
No

### **6. Waiver/Release Claims v. Lender:**

- (a) Debtor waives or releases claims against lender, including, but not limited to, claims under §§ 506(c), 544-550, 552, and 553 of the Code?
- (b) Does the debtor waive defenses to claim or liens of lender?

Yes  
Yes

**7. Source of Post-Petition Financing:**

- (a) Is the proposed lender also the pre-petition lender?
- (b) New post-petition lender?
- (c) Is the lender an insider?

N/A  
N/A  
N/A

**8. Modification of Stay:**

- (a) Is any modified lift of stay allowed?
- (b) Will the automatic stay be lifted to permit lender to exercise self-help upon default without further order?
- (c) Are there any other remedies exercisable without further order of court?
- (d) Is there a provision that any future modification of order shall not affect status of debtor's post-petition obligations to lender?

Yes, limited ¶19  
No  
No  
Yes

**9. Creditors' Committee:**

- (a) Has creditors' committee been appointed?
- (b) Does creditors' committee approve of proposed financing?

No  
N/A

**10. Restrictions on Parties in Interest:**

- (a) Is a plan proponent restricted in any manner, concerning modification of lender's rights, liens and/or causes?
- (b) Is the debtor prohibited from seeking to enjoin the lender in pursuit of rights?
- (c) Is any party in interest prohibited from seeking to modify this order?
- (d) Is the entry of any order conditioned upon payment of debt to lender?
- (e) Is the order binding on subsequent trustee on conversion?

Yes  
Yes  
Yes  
No  
Yes

**11. Nunc Pro Tunc:**

- (a) Does any provision have retroactive effect?

No

**12. Notice and Other Procedures:**

- (a) Is shortened notice requested?
- (b) Is notice requested to shortened list?
- (c) Is time to respond to be shortened?

Yes  
Yes  
Interim Only

- (d) If final order sought, have 15 days elapsed since service of motion pursuant to Rule 4001(b)(2)?  
(e) If preliminary order sought, is cash collateral necessary to avoid immediate and irreparable harm to the estate pending a final hearing?  
(f) Is a Certificate of Conference included?  
(g) Is a Certificate of Service included?  
(h) Is there verification of transmittal to U.S. Trustee included pursuant to Rule 9034?  
(i) Has an agreement been reached subsequent to filing motion?  
    (i) If so, has notice of the agreement been served pursuant to Rule 4001(d)(1)?  
    (ii) Is the agreement in settlement of motion pursuant to Rule 4001(d)(4)?  
    (iii) Does the motion afford reasonable notice of material provisions of agreement pursuant to Rule 4001(d)(4)?  
    (iv) Does the motion provide for opportunity for hearing pursuant to Rule 9014?

N/A

Yes

No

Yes

Yes

No

N/A

N/A

N/A

Yes

Respectfully submitted,

By: /s/ Michael A. McConnell  
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